

SECRET

17 January 1951

MEMORANDUM FOR: CHIEF/SP

THROUGH: Chief/EX

SUBJECT: ~~Mikhelson and Kainins~~

REFERENCE: C/SP Memorandum, same subject, dated 11 January 1951

1. We have studied your memorandum on your recent contact with [] on subject individuals. We still come to the same conclusions that we stated in our memorandum of 26 December: (1) Mikhelson is worthy of some additional support, and (2) SP is the most logical channel for such support.

2. Respecting the first point, the source of funds is the most important problem. If the contact is maintained by SP, the money could come from their funds.

3. Respecting the second point, the primary role of SP in international labor activities, plus the fact that SP already has an operational contact with the man, would seem to dictate their continued relationship. If two divisions of OPC become operationally involved with the same man, it can only lead to difficulties and crossed wires.

4. As stated in our previous memorandum, SP/PW would be interested in Mikhelson in conjunction with their activities—e. g. the utilization of anti-Communist longshoremen for the infiltration of propaganda materials in the packaging of shipments destined for the Baltic area from Sweden. This matter has been discussed between a representative of this branch and []. The representative of this branch then discussed the matter with SP. [] The latter indicated an interest in extending his activities of this type to the Scandinavian area. We are confident that the caliber of SP/PW's activities in this realm and the content of their material is quite satisfactory for Baltic operations.

5. For [] information we are not sleeping on the Baltic States although we realize the field is still wide open. For your information only, we have active relatively large scale projects going utilizing significant Lithuanian and Latvian groups. We have in process a similar Estonian project. We have contacts with full operational clearances in each of the Baltic groups.

EO/M/WR/jn
Distr: 1 - C/SP
2,3 - EE-II
4,5 - III/EE

Order, EE-II

JAN 18 1951

74	124	1
JAN 18 1951		

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3020
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

SECRET